Chief Engineer expects that it will be possible to supply electrical energy for the town by Makaram next. The land for the Power House has been acquired and the building is under construction. The scheme as originally outlined and provisionally accepted by Government was expected to cost Rs 2·75 lakhs roughly but in the actual working of the scheme it has been found that this estimate requires revision mainly on account of increasing the distribution line by 10 miles in addition to the 16 miles already provided for. The revised estimate for the scheme amounting to Rs 4·11 lakhs, excluding the cost of land for the Power House, has been submitted by the Chief Engineer and is under the consideration of Government. The provision made in the budget estimate is Rs 3·44 lakhs. This includes funds for the construction of a telephone system in Trivandrum.

38. *Bridge across the Neendakara bar.* The difficulties of the public in having to cross the Neendakara bar by junghar are well known. The rapid extension of motor traffic has greatly accentuated the inconvenience. The new year's budget includes a lump provision for the construction of a suitable bridge across this bar. A fifteen feet carriage way with separate pathways on either side for pedestrians has been designed. The work has been classed as 'capital' and included in the capital programme as it is proposed to make it reproductive by the levy of a special toll for recoupment of the expenditure.

FINANCIAL POSITION.

39. I wish to make a brief mention as I did last year, of the **assets** and **liabilities** on our books.

Savings Bank Deposits. These stood at Rs 54 lakhs at the close of 1101 and rose to Rs 60 lakhs at the close of 1102. The figure of the current year's estimate is Rs 66·58 lakhs and at the close of the next year we expect to have Rs 72·58 lakhs invested with us by our Savings Bank depositors. The increase in business is very satisfactory as it shows that the benefits of the scheme are largely appreciated by the middle and lower classes. In this connection I should like to make mention of a facility that has recently been given as a temporary measure, to the Trivandrum Central Co-operative Bank which is the mainstay of the Co-operative movement in Travancore. Under existing rules, only the Devaswom Department and Local bodies are allowed to invest moneys in fixed deposits with the Government Savings Bank. This concession has been provisionally extended to the Trivandrum Central Co-operative Bank and a further facility has been given to the Bank, to

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[Mr. K. N. Ramasubba Aiyar.]

obtain by arrangement with the Account Officer, required moneys against the security of their fixed deposits at a slightly enhanced rate of interest, so that there might be no difficulty about finding ready money when urgently required for their purposes while they have a fixed deposit with the Government Savings Bank.

40. *Sinking Funds.* These have been already referred to by me. It is only necessary to state here that, while in our surplus investment account the securities held are at par and the discount is taken to revenue, in the two sinking fund accounts the discount is credited as an additional item of receipt of the fund itself in the same manner as interest earned on the investments on behalf of the sinking fund. It will be seen from the statement at page 7 of the Budget Estimates that against Rs 53·25 lakhs of sinking fund deposits the ear-marked investments also amount to an identical figure.

41. *Life Insurance Fund.* This is included under deposits of service and other funds in the accounts. The House will be pleased to learn that the actuarial valuation which was carried out in the current year shows a surplus of Rs ·65 of a lakh as at the close of 1101. Of this sum Rs ·15 of a lakh is profit earned by the Fund in the 5 years after Karkatakam 1096. This surplus, which has not been transferred to revenue account in the current estimates, can give us a good starting reserve in connection with an extension of the State Life Insurance scheme which is under consideration.

42. The next year is expected to close with a **balance** of Rs. **129·95** lakhs under **Government Account**, after meeting the proposed expenditure on capital schemes and to leave with us a **fluid balance** in cash and gilt-edged securities roughly amounting to Rs. **225·65** lakhs.

CONCLUSION.

43. With these words I submit for the consideration of the House the Budget and the schedule of demands for grants for votable expenditure in the next year.

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